

# EXHIBIT 1

Form **4549-A**  
(December 2020)

Department of the Treasury-Internal Revenue Service

**Report of Income Tax Examination Changes**Name and address of taxpayer  
ROBERT F & SUZANNE J MCFAYDE SMITH

Taxpayer identification number

Return form number

1040

Person with whom  
examination  
changes were  
discussed.

Name and title

ROBERT F &amp; SUZANNE J MCFAYDE SMITH

1. Adjustments to income		Period Ended 12/31/2006	Period Ended	Period Ended
a.	Taxable Interest- Flash Vista Funds	123,751.00		
b.	Capital Gain or Loss	12,742,560.00		
c.	Itemized Deductions	257,325.00		
d.				
e.				
f.				
g.				
h.				
i.				
j.				
k.				
l.				
m.				
n.				
o.				
p.				
2. Total adjustments		13,123,636.00		
3. Taxable income per return or as previously adjusted		12,538,851.00		
4. Corrected taxable income		25,662,487.00		
Tax method		SCHEDULE D		
Filing status		Joint		
5. Tax		3,861,774.00		
6. Additional taxes/Alternative minimum tax		419,454.00		
7. Corrected tax liability		4,281,228.00		
8. Less	a. Foreign Tax Credit	58.00		
credits	b.			
	c.			
	d.			
9. Balance (line 7 less lines 8a through 8d)		4,281,170.00		
10. Plus	a. Self Employment Tax	10,598.00		
other	b.			
taxes	c.			
	d.			
11. Total corrected tax liability (line 9 plus lines 10a through 10d)		4,291,768.00		
12. Total tax shown on return or as previously adjusted		2,339,604.00		
13. Adjustments to: a.				
	b.			
	c.			
14. Deficiency-Increase in tax or (overassessment-decrease in tax) (line 11 less line 12 adjusted by lines 13a through 13c)		1,952,164.00		
15. Adjustments to prepayment credits - increase (decrease)				
16. Balance due or (overpayment) - (line 14 adjusted by line 15) (excluding interest and penalties)		1,952,164.00		

Name of taxpayer ROBERT F & SUZANNE J MCFAYDE SMITH	Taxpayer identification number [REDACTED]	Return form number 1040	
<b>17. Penalties, additions to tax, and additional amounts -- IRC sections</b>	<b>Period Ended</b> 12/31/2006	<b>Period Ended</b>	<b>Period Ended</b>
a.			
b.			
c.			
d.			
e.			
f.			
g.			
h.			
i.			
j.			
k.			
l.			
m.			
n.			
<b>18. Total penalties, additions to tax, and additional amounts</b>			
<b>19. Summary of taxes, penalties and interest</b>			
a. Balance due or (overpayment) taxes - (line 16, page 1)	1,952,164.00		
b. Penalties and additions (line 18) - computed to 06/03/2022			
c. Interest** (IRC § 6601) - estimated and computed to 06/03/2022	0.00		
d. Amount due or (refund) - (sum of lines a, b, and c)	1,952,164.00		

\*\*Interest, as provided by law, will be charged on any unpaid amount until it is paid in full.

Other information

Examiner's signature James Oertel	Employee ID 1000682821	Office San Jose, CA	Date 06/03/2022
--------------------------------------	---------------------------	------------------------	--------------------

The Internal Revenue Service has agreements with state tax agencies under which information about federal tax, including increases or decreases, is exchanged with the states. If this change affects the amount of your state income tax, you should amend your state return by filing the necessary forms.

You may be subject to backup withholding if you underreport your interest, dividend, or patronage dividend income you earned and do not pay the required tax. The IRS may order backup withholding (withholding of a percentage of your dividend and/or interest payments) if the tax remains unpaid after it has been assessed and four notices have been issued to you over a 120-day period.

Name of Taxpayer: ROBERT F & SUZANNE J MCFAYDE SMITH  
 Identification Number: [REDACTED] Total

06/03/2022  
 23.00.00

### 2006 - Form 6251 - Alternative Minimum Tax Computation

1. If filing Schedule A, enter taxable income before exemptions; (less any amount on Form 8914, line 6); otherwise, enter adjusted gross income (less any amount on Form 8914, line 6)	25,667,987.00
2. Total adjustment and preferences (excluding any NOL deduction)	1,467,205.00
3. Net operating loss deduction	0.00
4. Alternative tax net operating loss deduction	0.00
5. Alternative minimum taxable income (combine lines 1 thru 4)	27,135,192.00
6. Exemption amount	0.00
7. Subtract line 6 from line 5 (if zero or less, enter zero)	27,135,192.00
8. If capital gains are reported, see line 20 from continuation page (If FEIT worksheet for AMT is used, enter amount from line 10 of that worksheet instead) All others: If line 7 is \$175,000 or less (\$87,500 if MFS) multiply line 7 by 26%. Otherwise, multiply line 7 by 28% and subtract \$3,500 (\$1,750 if MFS) from the result	4,281,228.00
9. Alternative minimum tax foreign tax credit	58.00
10. Tentative minimum tax (line 8 less line 9)	4,281,170.00
11. Regular tax before credits (if Schedule J was used to figure tax, use the refigured amounts for lines 44 and 47 of Form 1040 without using Schedule J)	3,861,716.00
12. Alternative minimum tax	419,454.00

### Exemption Worksheet (line 6 above)

A. Exemption amount based on filing status	62,550.00
B. Alternative minimum taxable income	27,135,192.00
C. Enter \$112,500 (\$150,000 if married filing jointly or qualifying widow(er), \$75,000 if married filing separately)	150,000.00
D. Subtract line C from line B	26,985,192.00
E. Multiply line D by 25%	6,746,298.00
F. Subtract line E from line A (if zero or less, enter zero)	0.00

Name of Taxpayer: ROBERT F & SUZANNE J MCFAYDE SMITH  
 Identification Number: [REDACTED] Total

06/03/2022

23.00.00

**2006 - Form 6251 - Continuation, Tax Computation Using Maximum Capital Gain Rates**

1. Amount from Form 6251 report, line 7 (If FEIT worksheet for AMT was used, enter amount from line 7 of that worksheet instead)	27,135,192.00
2. Amount from line 6 Qualified Dividends and Capital Gain Tax Worksheet or line 13 Schedule D Tax Worksheet (refigured for AMT)	25,485,582.00
3. Amount from Schedule D line 19 (refigured for AMT)	0.00
4. Amount from line 2 if no Schedule D worksheet; otherwise, the smaller of the sum of line 2 or line 3 or Schedule D worksheet line 10 (refigured for AMT)	25,485,582.00
5. Smaller of line 1 or line 4	25,485,582.00
6. Subtract line 5 from line 1	1,649,610.00
7. If line 6 is \$175,000 or less (\$87,500 if MFS) multiply line 6 by 26%; otherwise, multiply line 6 by 28% and subtract \$3,500 (\$1,750 if MFS) from the result	458,391.00
8. Enter: \$61,300 if filing married filing joint or qualified widow(er) \$30,650 if filing single or married filing separate \$41,050 if filing head of household	61,300.00
9. Amount from line 7 Qualified Dividends and Capital Gain Tax Worksheet or line 14 Schedule D Tax Worksheet	176,905.00
10. Subtract line 9 from line 8 (if zero or less, enter zero)	0.00
11. Smaller of line 1 or line 2	25,485,582.00
12. Smaller of line 10 or line 11	0.00
13. Multiply line 12 by 5%	0.00
14. Subtract line 12 from line 11	25,485,582.00
15. Multiply line 14 by 15%	3,822,837.00
16. Subtract line 11 from line 5	0.00
17. Multiply line 16 by 25%	0.00
18. Total of lines 7, 13, 15 and 17	4,281,228.00
19. If line 1 is \$175,000 or less (\$87,500 if MFS) multiply line 1 by 26%; otherwise, multiply line 1 by 28% and subtract \$3,500 (\$1,750 if MFS) from the result	7,594,354.00
20. Smaller of line 18 or line 19. Enter here and on line 8 of Form 6251 report	4,281,228.00

Name of Taxpayer ROBERT F & SUZANNE J MCFAYDE SMITH  
 Identification Number: [REDACTED] Total

06/03/2022  
 23.00.00

### 2006 - Form 8801 - Credit for Prior Year Minimum Tax

1. Taxable income (loss), from prior year Form 6251	0.00
2. Adjustments and preferences treated as exclusion items	0.00
3. Minimum tax credit net operating loss deduction	0.00
4. Combine lines 1 through 3 (If more than \$191,000 and filing as married filing separate - see instructions)	0.00
5. Exemption amount, from prior year Form 6251	58,000.00
6. Phase-out of exemption, from prior year Form 6251	150,000.00
7. Subtract line 6 from line 4 (if 0 or less, enter 0)	0.00
8. Multiply line 7 by 25%	0.00
9. Subtract line 8 from line 5 (if 0 or less, enter 0)	0.00
10. Subtract line 9 from line 4 (if 0 or less, enter 0)	0.00
11. Multiply line 10 by 0 % (if Part IV of Form 6251 was completed in the prior year, see Part III below)	0.00
12. Minimum tax foreign tax credit on exclusion items	0.00
13. Tentative minimum tax on exclusion items (line 11 less line 12)	0.00
14. Regular tax before credits minus foreign tax credit (line 34 of prior year, Form 6251)	0.00
15. Net minimum tax on exclusion items (line 13 less line 14)	0.00
16. Line 35 of prior year Form 6251	0.00
17. Line 15 (above)	0.00
18. Adjusted net minimum tax (line 16 less line 17)	0.00
19. Carryforward of minimum tax credit from prior year	0.00
20. Prior year unallowed credit for producing fuel from a nonconventional source and qualified electric vehicle credit	0.00
21. Add lines 18, 19 and 20	0.00
22. Current year regular tax liability less allowable credits	0.00
23. Current year tentative minimum tax (line 33 of Form 6251)	0.00
24. Subtract line 23 from line 22 (if 0 or less, enter 0)	0.00
25. Allowable minimum tax credit (smaller of line 21 or 24)	0.00
26. Carryforward of minimum tax credit	0.00

Name of Taxpayer: ROBERT F & SUZANNE J MCFAYDE SMITH  
 Identification Number: [REDACTED] Total

06/03/2022  
 23.00.00

### Part III – Tax Computation Using Maximum Capital Gains Rates

27. Amount from line 10	0.00
28. Amount from prior year line 6 of Qualified Dividends Worksheet or line 13 of Schedule D Tax Worksheet	0.00
29. Amount from prior year Schedule D, line 19	0.00
30. Add lines 28 and 29	0.00
31. Smaller of line 27 or line 30	0.00
32. Subtract line 31 from line 27	0.00
33. Multiply line 32 by 0 %	0.00
34. Enter:	
\$59,400 if married filing jointly or qualifying widow(er) for 2005	
\$29,700 if single or married filing separately for 2005	
\$39,800 if head of household for 2005, or	
\$2,000 for an estate or trust	0.00
35. Amount from prior year line 7 of Qualified Dividends Worksheet or line 14 of Schedule D Tax Worksheet	0.00
36. Subtract line 35 from line 34. If zero or less, enter 0	0.00
37. Smaller of line 27 or line 28	0.00
38. Smaller of line 36 or line 37	0.00
39. Multiply line 38 by 5%	0.00
40. Subtract line 38 from line 37	0.00
41. Multiply line 40 by 15%	0.00
42. Subtract line 37 from line 31.	0.00
43. Multiply line 42 by 25%	0.00
44. Add line 33, 39, 41, and 43	0.00
45. Multiply line 27 by 0%	0.00
46. Smaller of line 44 and line 45 (enter on line 11 above)	0.00

Name of Taxpayer: **ROBERT F & SUZANNE J MCFAYDE SMITH**  
 Identification Number: XXXXXXXXXX Total

06/03/2022  
 23.00.00

### 2006 - Qualified Dividends and Capital Gain Tax Worksheet

1. Enter the amount from Form 1040, line 43 .....	<b>1.</b>	25,662,487.00
2. Enter the amount from Form 1040, line 9b .....	<b>2.</b>	3,514.00
3. Are you filing Schedule D?		
<input checked="" type="checkbox"/> <b>Yes.</b> Enter the <b>smaller</b> of line 15 or 16 of		
Schedule D, but do not enter less than -0-		
<input type="checkbox"/> <b>No.</b> Enter the amount from Form 1040, line 13	<b>3.</b>	25,482,068.00
4. Add lines 2 and 3 .....	<b>4.</b>	25,485,582.00
5. If you are claiming investment interest expense on Form 4952, enter the amount from line 4g of that form.		
Otherwise, enter -0- .....	<b>5.</b>	0.00
6. Subtract line 5 from line 4. If zero or less, enter -0- .....	<b>6.</b>	25,485,582.00
7. Subtract line 6 from line 1. If zero or less, enter -0- .....	<b>7.</b>	176,905.00
8. Enter the <b>smaller</b> of:		
<ul style="list-style-type: none"> <li>• The amount on line 1, or 61,300.00</li> <li>• \$30,650 if single or married filing separately,</li> <li>\$61,300 if married filing jointly or qualifying widow(er),</li> <li>\$41,050 if head of household.</li> </ul>		
	<b>8.</b>	61,300.00
9. Is the amount on line 7 equal to or more than the amount on line 8?		
<input checked="" type="checkbox"/> <b>Yes.</b> Skip lines 9 through 11; go to line 12 and check the "No" box.		
<input type="checkbox"/> <b>No.</b> Enter the amount from line 7 .....		
10. Subtract line 9 from line 8 .....	<b>10.</b>	
11. Multiply line 10 by 5% (.05) .....	<b>11.</b>	
12. Are the amounts on lines 6 and 10 the same?		
<input type="checkbox"/> <b>Yes.</b> Skip lines 12 through 15; go to line 16.		
<input checked="" type="checkbox"/> <b>No.</b> Enter the <b>smaller</b> of line 1 or line 6 .....	<b>12.</b>	25,485,582.00
13. Enter the amount from line 10 (if line 10 is blank, enter -0-) .....	<b>13.</b>	0.00
14. Subtract line 13 from line 12 .....	<b>14.</b>	25,485,582.00
15. Multiply line 14 by 15% (.15) .....	<b>15.</b>	3,822,837.00
16. Figure the tax on the amount on line 7. Use the Tax Table or Tax Computation Worksheet, whichever applies .....		
	<b>16.</b>	38,937.00
17. Add lines 11, 15, and 16 .....	<b>17.</b>	3,861,774.00
18. Figure the tax on the amount on line 1. Use the Tax Table or Tax Computation Worksheet, whichever applies .....		
	<b>18.</b>	8,955,121.00
19. <b>Tax on all taxable income.</b> Enter the <b>smaller</b> of line 17 or line 18. Also include this amount on Form 1040, line 44 .....		
	<b>19.</b>	3,861,774.00

Name of Taxpayer:	ROBERT F & SUZANNE J MCFAYDE SMITH	06/03/2022
Identification Number:	<span style="background-color: black; color: black;">[REDACTED]</span>	Total 23.00.00

---

2006 - **PERSONAL EXEMPTION WORKSHEET**

1. Multiply \$3,300 by the total number of exemptions claimed on Form 1040, line 6d	16,500.00
2. Adjusted gross income	27,314,629.00
3. Limitation based on filing status	225,750.00
NOTE: If line 2 is not greater than line 3, enter amount from line 1 on line 10 below	
4. Subtract line 3 from line 2	27,088,879.00
5. If line 4 is more than \$122,500 (\$61,250 if married filing separately), multiply \$ 1,100 by the total number of exemptions claimed on Form 1040, line 6d and enter this amount on line 10 below	5,500.00
6. Divide line 4 by \$2,500 (\$1,250 if married filing separately) (If result is not a whole number, increase to next whole number)	0.00
7. Multiply line 6 by 2% and enter the result as a decimal	0.00
8. Multiply line 1 by line 7	0.00
9. Divide line 8 by 1.5	0.00
10. Deduction for exemptions (subtract line 9 from line 1)	5,500.00

Name Of Taxpayer: ROBERT F &amp; SUZANNE J MCFAYDE SMITH

06/03/2022

Identification Number: [REDACTED] Total

23.00.00

## 2006 - SCHEDULE A - ITEMIZED DEDUCTIONS

	PER RETURN	PER EXAM	ADJUSTMENT
1. Medical, dental and insurance premiums	0.00	0.00	0.00
2. 7.50% of Adjusted Gross Income	1,083,624.00	2,048,597.18	
3. Net Medical and Dental Expense	0.00	0.00	0.00
4. Taxes	1,998,667.00	1,998,667.00	0.00
5. Home Interest Expense	80,998.00	80,998.00	0.00
6. Investment Interest	2,251.00	2,251.00	0.00
7. Other Interest Expense	0.00	0.00	0.00
8. Total Interest Expense	83,249.00	83,249.00	0.00
9. Contributions	108,009.00	108,009.00	0.00
10. Casualty and theft Losses	0.00	0.00	0.00
11. Miscellaneous deductions subject to AGI limit	0.00	0.00	0.00
12. 2.00% of Adjusted Gross Income	288,966.00	546,293.00	
13. Excess Miscellaneous deductions	0.00	0.00	0.00
14. Other Miscellaneous deductions	0.00	0.00	0.00
15. Total itemized deductions (Sum of Lines 3, 4, 8, 9, 10, 13, and 14 less any applicable limitation)	1,903,967.00	1,646,642.00	257,325.00

## ITEMIZED DEDUCTIONS WORKSHEET - PER EXAM

A. Total of lines 3, 4, 8, 9, 10, 13, and 14	2,189,925.00
B. Total of lines 3, 6, 10, (plus any gambling losses included on line 14)	2,251.00
C. Line A less Line B	2,187,674.00
D. Multiply the amount on line C by 80%	1,750,139.00
E. Adjusted Gross Income from Form 1040	27,314,629.00
F. Itemized Deduction Limitation	150,500.00
G. Line E less Line F	27,164,129.00
H. Multiply the amount on Line G by 3%	814,924.00
I. Enter the smaller of Line D or Line H	814,924.00
J. Divide Line I by 3	271,641.33
K. Subtract Line J from Line I	543,282.67
L. Total Itemized Deductions (entered on line 15 above)	1,646,642.00

Name of Taxpayer: ROBERT F & SUZANNE J MCFAYDE SMITH  
 Identification Number: [REDACTED] Total

06/03/2022  
 23.00.00

2006 - **SCHEDULE D - CAPITAL GAINS AND LOSSES**

**Part I** Short-Term Capital Gains and Losses—Assets Held One Year or Less

1	Short-term capital gain or loss	(6,667.00)
2	Short-term capital loss carryover	0.00
3	Net Short-term Gain or Loss (Add line 1 and 2)	(6,667.00)

**Part II** Long-Term Capital Gains and Losses—Assets Held More Than One Year

4	Long-term capital gain or loss	25,488,735.00
5	Long-term capital gain or loss carryover	0.00
6	Net long-term Gain or Loss (Add line 4 and 5)	25,488,735.00

**Part III** Summary

7	Sum of lines 3 and 6 - Net Capital Gain or Loss	25,482,068.00
8	Capital loss limitation	0.00
9	Capital Gain or Loss - As Corrected	25,482,068.00
10	Capital Gain or Loss - Per Return	12,739,508.00
11	Line 9 less line 10 - Adjustment to Income	12,742,560.00

**CORRECTED CARRYOVER**


12	Short-term Carryover to Subsequent Year	0.00
13	Long-term Carryover to Subsequent Year	0.00

**28% RATE GAIN COMPUTATION**

1	Tentative 28% rate gain (total of lines 1 thru 4 from worksheet)	0.00
2	Long-term capital loss carryover	0.00
3	Net short-term capital loss	(6,667.00)
4	Allowable 28% rate gain (sum of lines 1 thru 3) (if -0- or less, enter -0-)	0.00

**SECTION 1250 GAIN COMPUTATION**

1	Tentative Section 1250 gain (line 13 from worksheet)	0.00
2	Tentative 28% rate gain	0.00
3	Net short-term capital loss	(6,667.00)
4	Long-term capital loss carryover	0.00
5	Sum of lines 2 thru 4 (if less than -0-, enter as positive amount) (if -0- or greater, enter -0-)	6,667.00
6	Allowable Section 1250 gain (line 1 less line 5) (if -0- or less, enter -0-)	0.00

Form <b>886-A</b> (May 2017)	Department of the Treasury - Internal Revenue Service <b>Explanation of Items</b>	Schedule number or exhibit
Name of taxpayer  ROBERT F & SUZANNE J MCFAYDE SMITH	Tax Identification Number ( <i>last 4 digits</i> ) 	Year/Period ended  2006

**Statutory-Alt Min Tax**

Tax Period	Per Return	Per Exam	Adjustment
2006	\$454,366.00	\$419,454.00	(\$34,912.00)

You have an alternative minimum tax liability only if your tentative minimum tax exceeds your regular tax liability. Tentative minimum tax is computed by first calculating your alternative minimum taxable income, which equals your regular taxable income increased by any tax preference items for the taxable year, and increased or decreased by adjustment items for the taxable year. Alternative minimum taxable income is then reduced by an exemption amount:

(\$42,500 for Single/Head of Household

\$62,550 for Married Filing Joint/Surviving Spouse; and

\$31,275 for Married Filing Separately) which is subject to phase-out depending on the amount of your alternative minimum taxable income.

For taxable years after 1992, the remaining amount is subject to a 26 percent tax rate on the first \$175,000 and 28 percent tax rate on any amount in excess of \$175,000. A tentative minimum tax is then computed by reducing the amount determined in the preceding sentence by any allowable foreign tax credit. The alternative minimum tax liability is the amount by which tentative minimum tax exceeds regular tax liability.